

**MINUTES OF THE CITY OF LAS VEGAS SPECIAL CITY COUNCIL MEETING HELD ON
WEDNESDAY SEPTEMBER 9, 2015 AT 5:00 P.M. IN THE CITY COUNCIL CHAMBERS**

MAYOR: Alfonso E. Ortiz, Jr.

COUNCILORS: Tonita Gurule-Giroñ
Joey Herrera – Arrived at 5:24 p.m.
David L. Romero
Vincent Howell – Absent

ALSO PRESENT: Elmer J. Martinez – City Manager
Casandra Fresquez – City Clerk
Dave Romero – City Attorney
Juan Montano – Sergeant at Arms

CALL TO ORDER

Mayor Ortiz, Jr. called the meeting to order at 5:00 p.m.

ROLL CALL

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE

Mayor Ortiz, Jr. asked for a moment of silence to remind everyone that 9/11 was quickly approaching and to be thankful for the peace and harmony in our lives.

APPROVAL OF AGENDA

Councilor Gurule-Giroñ made a motion to approve the agenda as is. Councilor Romero seconded the motion.

Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

Tonita Gurule-Giroń	Yes	David L. Romero	Yes
Joey Herrera	Absent	Vincent Howell	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.

PUBLIC INPUT

None at this time.

BUSINESS ITEMS

1. Approval/Disapproval of the Airport Hangar and Property Lease Agreement.

City Attorney Dave Romero advised that this is a key lease in the development of the Municipal Airport. The lease is for an area of land sufficient to build an aircraft hangar approximately 80 ft. x 80 ft. with an aircraft-suitable, concrete entrance area n the front and back; an estimated cost of \$250,000.00. Hangar will be built by NEVA, LLC (Paul Lewicki). This lease may be for a term of forty (40) years.

City Attorney Romero briefed the Governing Body on primary issues concerning the term of lease which would take effect on September 15, 2015, and included the set lease amount of \$1,800.00 a year with increase of 20% every 5 yrs or be increased with the adjustment of the Consumer Price Index (CPI), which ever would be greater.

Mayor Ortiz, Jr. had concerns pertaining to the method of the presentation of the lease amount figures.

Councilor Gurule-Giroń made a recommendation to include an actual multiplier index table that indicates the exact breakdown of the lease amount with the 4% percent increase for more clarity.

Attorney Danelle Smith explained that the contract included a 4% minimum increase every year but the adjustment would be every 5 years and added that for the first 5 years there would be one amount and then the second five years there would be an increase for each of the previous 5 years, which would be either 4% minimum increase or adjusted with the Consumer Price Index (CPI), whichever is higher.

Attorney Smith advised that there was a fixed index in place to be utilized and would depend on the value of the dollar at the time and added that the increase would not go lower than the 4% and added that at the end of 5 years the adjustment would be made of a minimum 20 % increase or could be higher, depending on the CPI and that it would never be less than 4%.

City Attorney Romero stated that he thought that the addition of the Airport Hangar would be an asset to the City of Las Vegas regarding and added that the facility would eventually belong to the City. City Attorney Romero spoke of the attractive features of the Las Vegas Airport and how it would be utilized from pilots from different states and would be helpful for the economy as well.

Councilor Gurule-Giroñ asked Attorney Danelle Smith if she was representing the City of Las Vegas.

Attorney Smith clarified that she was representing Mr. Paul Lewicki, with permission from the City due to the fact that she had acted as City Attorney in the past.

City Attorney Romero stated that this was disclosed in writing to the City of Las Vegas and explained that there were no objections to the conflict of interest by the City.

Attorney Smith informed that a waiver was signed by the City regarding conflict of interest and clarified that she was in no way representing the City of Las Vegas and added that Mr. Lewicki was very interested in the Las Vegas Airport in building the hangar which he would pay for as well as pay the city rent for the land and thought it was a great opportunity for the City of Las Vegas.

Councilor Gurule-Giroń asked Attorney Smith if there was a special interest on her behalf regarding the building of the Airport hangar.

Attorney Smith stated that there was no special interest on her behalf regarding the Airport hangar project.

Councilor Gurule-Giroń advised that she had questions pertaining to the Airport Hangar project contract.

Mayor Ortiz, Jr. requested clarification from City Attorney Romero regarding the Airport Hangar contract and asked if the information brought to the Governing Body was for informational purposes or if this was a decision that Council had to approve.

Mayor Ortiz, Jr. added that many times issues are brought to Council when decisions could be made by the City Manager under the City Charter.

City Attorney Romero explained that through Resolution, the City Manager had the authority to sign contracts on his own but advised that City Manager Martinez chooses to keep the communication open and share documents and contract information with Council.

Mayor Ortiz, Jr. advised that the contract had been reviewed thoroughly by City Attorney Romero, City Manager Martinez and Public Works Director Gonzales and felt it was not necessary to go through the entire contract.

Councilor Gurule-Giroń explained that she had several questions regarding the Airport Hangar contract and stated that once an item is placed on the agenda, it is open for discussion and added that she considered this contract a long-term decision and felt that Council should be involved.

Councilor Gurule-Giroń asked if the only signature required on the contract was from City Manager.

City Attorney Romero advised that the only signature required was that of the City Manager.

Councilor Gurule-Giroń asked both City Attorney Romero and Attorney Danelle Smith how familiar they were with F.A.R and F.A.A Regulations.

City Attorney Romero advised that he was not familiar with all the regulations, but explained that any activity which would occur at the airport be controlled by Federal and State authorities regarding aviation, regardless of how time changes.

Attorney Danelle Smith informed that she agreed with City Attorney Romero and stated that she was not familiar with the F.A.R and F.A.A. regulations and added that since 911 there had been many security changes that apply to airports.

Attorney Smith advised that the Las Vegas Municipal Staff would have to comply with F.A. R. and F.A. A. regulations as it would be part of the contract, regardless of when it would be.

Councilor Gurule-Giroń questioned how stringent security measures would be at the airport.

Airport Manager John Aragon advised that the Municipal Airport is a General Aviation Airport and advised that security cameras are in place, key codes are utilized and that all access areas are secured with chain linked fences.

Airport Manager Aragon advised that if the F.A.A. requires the Airport to carry out procedures they will inform them and added that everything required is in the Airport Action Plan. Airport Manager Aragon advised that the Airport meets all F.A.A. security requirements, that the F.A.A. will be reviewing a copy of the new contract and that he felt that they were well covered regarding the safety requirements.

Councilor Gurule-Giroń asked questions regarding the management of air traffic controllers at the Municipal Airport.

Airport Manager Aragon advised that as a General Aviation Airport they are not required to operate as a 24/7 facility and added that the Municipal Airport does not give airport advisories.

Airport Manager Aragon informed that General Aviation Pilots can come and go as they please since it is a public use airport and added that communication between the pilots is by the required Unicom radio.

Councilor Gurule-Giroñ had questions on the issue of the timeline on recalculating and compounding of the 4% interest.

Attorney Smith explained that the 4% interest is applied every year and however the lease gets recalculated at the end of every 5 years with either the minimum 4% annual rate or with the CPI, whichever is higher at that time.

Mayor Ortiz, Jr. asked for clarification regarding the process of the yearly payments.

Attorney Smith clarified that the contract stated that on the commencement of each 5 year period of the term, the City of Las Vegas had the option to increase the annual rental rate however the increase would apply for each year of the previous contract.

Councilor Gurule-Giroñ had questions on the term of the lease agreement.

City Attorney Romero advised that that the tenant had the option to request an extension on the agreement and added that the lease term was 40 years.

Councilor Gurule-Giroñ asked what the figure of \$250,000.00 on the Agenda Request under background/rationale was regarding.

City Attorney Romero advised that the \$250,000.00 amount was the total cost to build the Airport Hangar.

Councilor Gurule-Giroñ asked how this project would affect the health and safety of the staff and the community.

City Attorney Romero advised that on the contract, the lessee (tenant) is giving up any rights from injuries that might occur to him and added that he is releasing rights and remedies to sue the City of Las Vegas.

Councilor Gurule-Giroń asked how the issues of birds were going to be addressed.

City Attorney Romero advised that the airport had not had to deal with the issues of birds and added there was not a plan at the present time to address that issue.

Councilor Gurule-Giroń had concerns on how the noise would affect the people who lived in the surrounding area.

City Attorney Romero stated that the noise is hard to control at airports however this airport is located in the area of rural ranch land and the residential area is distant from the airport.

Councilor Gurule-Giroń asked what the projected cost would be for the increase of service regarding improving security at the airport.

City Attorney Romero added if security is modified at the Airport in the future, the tenant will be responsible to pay for the cost of improving the security which applies to what he controls.

Councilor Gurule-Giroń asked when the revision regarding safety changes would take place.

City Attorney Romero advised that the last revision was at the end of its 4 to 5 year period and added that within the next 2 years the Airport would re-evaluate.

Councilor Gurule-Giroń asked when the completion date of the Airport hangar project would take place.

City Attorney Romero informed that Mr. Lewicki was anticipating completing the project by November or December and added that due to using a pre-structure the construction would be completed more rapidly.

Councilor Gurule-Giroń asked what the projected costs would be regarding the hangar related expenses.

City Attorney Romero advised that the tenant would be responsible for all the costs pertaining to the hangar related expenses.

Councilor Gurule-Giroń questioned if the Fire Department was involved regarding inspection of the facility prior to negotiations of the contract.

City Attorney Romero informed that the Fire Department would perform inspection after the facility was built.

Councilor Gurule-Giroń asked what procedures would be taken regarding the disposal of flammable and hazardous materials.

City Attorney advised that hazardous waste would be procedures set out by the Environmental Department and added that the City would analyze waste that the tenant would put out by Fire Department and City employees that have been trained on how to handle toxic substances.

Discussion took place of the significance of City employees to be certified and trained on safety practices.

Councilor Gurule-Giroń had questions on the contract regarding indemnification.

City Attorney Romero explained that the indemnification meant that the tenant would take responsibility to hold the City of Las Vegas harmless.

Councilor Gurule-Giroń recommended that City Attorney Romero and City Manager Martinez take training on F.A.A. regulations in order to ensure safety.

City Attorney Romero stated that Public Works Director and the Airport Manager are the individuals who are trained and further educated on their expertise as well as with the help of the Federal and State agencies.

Councilor Gurule-Giroń asked if gross receipts taxes would be collected from the tenant.

City Attorney Romero advised that the property was located in San Miguel County and therefore the City would be collecting a portion of the gross receipts tax.

Attorney Danelle Smith stated that she understood that gross receipts tax would an exception on a lease.

Mayor Ortiz, Jr. explained that due to leasing the property, the improvements made would be taxable on a GRT bases.

Councilor Gurule-Giroń had concerns on the contract regarding the length of the contract renewal.

City Attorney Romero explained that the length of time of the lease contract renewal was in order for the tenant to pay for its usage and added that the City of Las Vegas would eventually own the building.

Councilor Gurule-Giroń asked if the City of Las Vegas or the lessee would obtain the depreciation value.

City Attorney Romero advised that the owner of the hangar would obtain the depreciation value and informed that the City would not take over until the lease was over.

Councilor Gurule-Giroń asked who would be responsible for the operations and maintenance of the building.

Attorney Smith advised that the lessee would be solely responsible for the operations and maintenance of the building.

City Attorney Romero clarified that City employees, machines and agents were not responsible for the operations and maintenance of the building.

Mayor Ortiz, Jr. advised that there was a clause on the contract which allowed the City to give direction on matters that concern the building.

Councilor Gurule-Giroń asked if there had been prior agreements regarding the Airport Hangar project.

City Attorney Romero advised that there had not been any prior agreements regarding the Airport Hangar project.

Councilor Gurule-Giroń had concerns regarding Waiver of Depreciation and Tax Credit on the contract.

City Attorney Romero clarified that the owner will obtain the depreciation of the building and advised that the city, who owns the property, would not be able to get any tax credit.

Councilor Gurule-Giroñ recommended to City Attorney Romero to be in attendance when placing items on the agenda in order to present them.

Councilor Gurule-Giroñ made a motion to approve Airport Hangar and Property Lease Agreement. Councilor Romero seconded the motion. Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

Joey Herrera	Yes	David L. Romero	Yes
Tonita Gurule-Giroñ	Yes	Vincent Howell	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.

2. Approval/Disapproval of LVPOA No. 20 Collective Bargaining Agreement.

Management Chief Negotiator Victoria Lovato advised that the Las Vegas Police Officer's Association Fraternal Order of Police Las Vegas Lodge No. 20 had ratified collective bargaining agreement with the City of Las Vegas.

Management Chief Negotiator Lovato informed that both parties came to the agreement of the contract which included:

- Increase of \$25.00 for uniform allowance
- Compensation - Onetime fifty (.50) cent increase to employees regular hourly rate of pay
- Compensation - Adjustment of \$.50 to Pay Plan

- Vacation Accrual - Increase of vacation hours accrued to the maximum of 240 hours
- Seniority- refer to recent date of hire with the City of Las Vegas regarding promotions
- Holidays- Communication Specialists accrue overtime at the 40 hours
- Sick Leave – Development of a Sick Leave Bank by the City of Las Vegas/Unions

- Hours of Work and Overtime – Police Officers work 12 hour shifts- 42 hour work week
- On Call and Call Backs – Updated Article for Police Officer and Communications Specialists
- Shift Differential – Updated Article; clarification of shift differential for different shift worked

Mayor Ortiz, Jr. made a recommendation of also notifying City Manager Martinez of shift changes at the Police Department.

City Manager Martinez informed that he worked closely with Police Chief Juan Montano regarding the shift changes which were included in the contract.

Councilor Gurule-Giroñ asked Management Chief Negotiator Lovato how she communicated her recommendations to City Manager Martinez during the negotiations process.

Management Chief Negotiator Lovato advised that the team usually meets with the City Manager to review the contract prior to negotiations and advised that during negotiations when proposals are presented, if there are questions they are directed to the City Manager.

Councilor Gurule-Giroñ had questions on communication between City Manager Martinez and Police Chief Montano regarding negotiations and daily operations of the Las Vegas Police Department.

City Manager Martinez advised that he was not involved in daily operations and stated that Police Chief Montano acts as Department Director therefore he manages the department and added that general policy and direction are topics that they do communicate on.

City Manager Martinez stated that he felt that the communication was sufficient between Police Chief Montano and himself and advised that they were some items that were in the process of being clarified in the Collective Bargaining contract.

Councilor Gurule-Giroń asked what the most significant changes of the Collective Bargaining contract were, as compared to the past.

Management Chief Negotiator Lovato explained that the Police Officers were working 12 hour shifts; 36 hours one week and 44 hours the following week and were being paid overtime after 38 hours and after 46 hours.

Management Chief Negotiator Lovato added that the contract read that the Police Officers should be paid overtime after 42 hours and stated that it had since been corrected; memos had been sent out to Officers with the changes and informed that Chief Montano had adjusted schedules to accommodate officers to work 42 hours a week.

Councilor Gurule-Giroń had concerns regarding the timeline of the memos and the status of the adjustment being made.

Management Negotiator Lovato advised that the memo was sent out late June or early July of 2015 and are working on getting them adjusted and explained there is a process of that involves Management, Finance Department and also getting Police Officers trained on filling out timesheets and familiarizing them with the language of the contract.

Councilor Gurule-Giroń asked for clarification of the date of the memo being issued out to Police Officers.

Management Negotiator Lovato informed that the issues were identified when looking at the timesheets dated June 23, 2015 and up to two years back, therefore the memos would have been sent out in early July.

Councilor Gurule-Giroń had concerns on how the overtime was being paid, being discovered so late and how it would affect the Police Department budget. City Manager Martinez advised that all the issues are being evaluated daily and that the contract language had been clarified and advised that the mid-year budget review process was coming up and that all action would be evaluated and brought to Council but didn't foresee any issues with over expenditures regarding overtime.

Councilor Gurule-Giroñ expressed her concern on how the over expenditures would affect the functions of the Police Department and its service to the community.

Management Chief Negotiator Lovato assured Council that the changes to the contract would not impact the service to the community.

Mayor Ortiz, Jr. expressed the importance of welfare of the community and the employees of the City of Las Vegas.

LVPOA, Union President David Cordova took the opportunity to thank the City of Las Vegas Negotiation Team, Mayor Ortiz, Jr., City Manager Martinez, and the Governing Body for working in collaboration to improve the current working conditions at the Las Vegas Police Department.

City Manager Martinez thanked Mr. Cordova and added that the aspirations of Police Officers are the opportunity to recruit and keep Police Officers in the City of Las Vegas.

Councilor Herrera made a motion to approve LVPOA Lodge No. 20 Collective Bargaining Agreement. Councilor Gurule-Giroñ seconded the motion. Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

David L. Romero	Yes	Joey Herrera	Yes
Tonita Gurule-Giroñ	Yes	Vincent Howell	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.

3. Approval/Disapproval of AFSCME Local 2851 Collective Bargaining Agreement.

AFSCME Management Negotiating Team Member Victoria Lovato advised that the American Federation of State, County and Municipal Employees Local 2851 has ratified collective bargaining agreement with the City of Las Vegas and added that the agreement was to receive a fifty (.50) cent increase to the employee's regular hourly rate of pay.

AFSCME Union President Floyd Lovato thanked the City of Las Vegas Negotiating Team and City Manager Martinez for working in collaboration with AFSCME on the collective bargaining agreement and spoke of different avenues being taken to improve the working relationship between the Union and the City of Las Vegas.

Mayor Ortiz, Jr. thanked the Union members for their hard work and professionalism they have displayed.

Councilor Gurule-Giroń made a motion to approve the AFSCME Local 2851 Collective Bargaining Agreement. Councilor Romero seconded the motion. Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

Tonita Gurule-Giroń	Yes	Joey Herrera	Yes
David L. Romero	Yes	Vincent Howell	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.

4. Approval/Disapproval of Resolution 15-44 authorizing submittal of a loan application to New Mexico Finance Authority for acquisition, construction and improvements to the Abe Montoya Recreation Center.

Finance Director Ann Marie Gallegos advised the City of Las Vegas is requesting authorization of the submission of a loan application to the New Mexico Finance Authority for acquisition, construction and improvement of the Abe Montoya Recreation Center and that the total loan amount was \$2,669,000.00 to cover Phase I expenses and added that funding was being set aside for Phase II.

Councilor Gurule-Giroń commended Finance Director Gallegos for providing the schedules required for the application to the NMFA and asked if the City had gone out for bid for the Recreation Center Project.

Finance Director Gallegos advised the City had not gone out for bid on the Recreation Center Project.

Councilor Gurule-Giroń asked if the City's budget had written approval by the NM DFA.

Finance Director Gallegos advised that they had received written approval of the City's budget from NMDFA.

Councilor Herrera made a motion to approve Resolution 15-44 authorizing submittal of a loan application to New Mexico Finance Authority for acquisition, construction and improvements to the Abe Montoya Recreation Center. Councilor Gurule-Giroñ seconded the motion.

Resolution 15-44 was presented as follows:

NMFA LOAN APPLICATION

A RESOLUTION OF THE CITY OF LAS VEGAS, NEW MEXICO, AUTHORIZING THE SUBMISSION OF A LOAN APPLICATION TO THE NEW MEXICO FINANCE AUTHORITY

WHEREAS, the City of Las Vegas is a qualified entity under the New Mexico Finance Authority Act, Sections 6-21-1 through 6-21-31, NMSA 1978 , and the City of Las Vegas is authorized to borrow funds and/or issue bonds for financing of public projects for benefit of the City of Las Vegas; and

WHEREAS, the New Mexico Finance Authority has instituted a program for financing of projects from the public project revolving fund created under the Act and has developed an application procedure whereby the Governing Body may submit an application for financial assistance from the Authority for public projects; and

WHEREAS, the Governing Body intends to undertake acquisition, construction and improvements of Abe Montoya Recreation Center for the benefit of the Governmental unit and its citizens; and

WHEREAS, the application prescribed by the Authority has been completed and submitted to the Governing Body and this resolution approving submission of the completed Application to the Authority for its consideration and review is required as part of the Application.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LAS VEGAS:

Section 1. That all action heretofore taken by the Governing body and the officers and employees thereof directed toward the Application and the Project, be and the same is hereby, approved and confirmed.

Section 2. That the completed Application submitted to the Governing Body, be and the same is hereby approved and confirmed.

Section 3. That the officers and employees of the Governing Body are hereby directed and requested to submit the completed Application to the Authority for its review, and are further authorized to take such other action as may be requested by the Authority in its consideration and review of the Application and to further proceed with arrangements for financing the Project.

Section 4. All acts and resolutions in conflict with this resolution are hereby rescinded, annulled and repealed.

Section 5. This resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED THIS _____ DAY OF _____, 2015.

Alfonso E. Ortiz, Jr. Mayor

ATTEST:

Casandra Fresquez, City Clerk

REVIEWED AND APPROVED AS TO LEGAL SUFFICIENCY ONLY:

Dave Romero, City Attorney

Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

David L. Romero	Yes	Tonita Gurule-Giroń	Yes
Joey Herrera	Yes	Vincent Howell	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.

City Manager Martinez thanked Finance Director Gallegos for all the time, hard work and effort she had put into preparing the loan application to submit to the NMFA.

5. Approval/Disapproval of Bid #2015-31 for the South Pacific Improvement Project was open on July 7, 2015. One offeror, H.O. Construction submitted a bid and met all specifications and licensing requirements as certified by the Engineer. The bid was in the amount of \$356,300.79 inclusive of NMGRT.

Public Works Director Martin Gonzales advised that Bid #2015-31 for the South Pacific Improvement Project were open on July 7, 2015. One offeror H.O. Construction submitted a bid and met all specifications and licensing requirements as certified by the Engineer. The bid was in the amount of \$356,300.79.

Councilor Gurule-Giroń had concerns regarding the bond amount of the project.

Public Works Director Gonzales explained that the bond amount for the project was \$609,000.00.

Councilor Gurule-Giroñ had questions on the Bid Tabulation regarding Unclassified Excavation amount.

Public Works Director Gonzales advised it was regarding the inverted crowns for the South Pacific Improvement Project.

Councilor Gurule-Giroñ made a motion to approve Bid #2015-31 for the South Pacific Improvement Project. Councilor Romero seconded the motion. Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

Joey Herrera	Yes	David L. Romero	Yes
Tonita Gurule-Giroñ	Yes	Vincent Howell	Absent

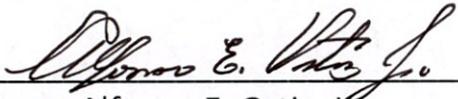
City Clerk Fresquez re-read the motion and advised the motion carried.

ADJOURN

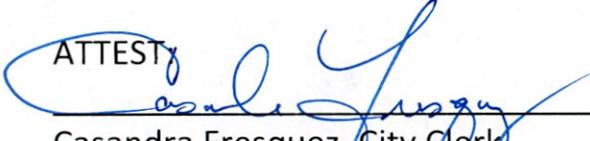
Councilor Gurule-Giroñ made a motion to adjourn. Councilor Romero seconded the motion. Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

Joey Herrera	Yes	Tonita Gurule-Giroñ	Yes
David L. Romero	Yes	Vincent Howell	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.



Mayor Alfonso E. Ortiz, Jr.

ATTEST


Casandra Fresquez, City Clerk